

FISCAL NOTE

STATE OF ALASKA
2005 LEGISLATIVE SESSION

Fiscal Note Number: 4
Bill Version: CSHB 33(L&C)
(H) Publish Date: 3/17/05

Revision Date/Time (Note if correction):

Title: Effect of Regulations on Small Businesses

Department: Labor and Workforce Development

RDU: Office of the Commissioner

Component: Commissioner's Office

Sponsor: Representative Meyer

Requester: House L&C

Component Number: 340

Expenditures/Revenues

(Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services	35.8	35.8	35.8	35.8	35.8	35.8
Travel						
Contractual	18.3	18.3	18.3	18.3	18.3	18.3
Supplies	7.0	1.5	1.5	1.5	1.5	1.5
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
TOTAL OPERATING	61.1	55.6	55.6	55.6	55.6	55.6

CAPITAL EXPENDITURES						
----------------------	--	--	--	--	--	--

CHANGE IN REVENUES ()						
------------------------	--	--	--	--	--	--

FUND SOURCE

(Thousands of Dollars)

1002 Federal Receipts	20.5	19.1	19.1	19.1	19.1	19.1
1004 GF	10.4	9.0	9.0	9.0	9.0	9.0
1007 Interagency Receipts						
1157 Worker Safety Account	15.1	13.7	13.7	13.7	13.7	13.7
1172 Building Safety Account	10.4	9.1	9.1	9.1	9.1	9.1
1032 Fishermen's Fund	4.7	4.7	4.7	4.7	4.7	4.7
TOTAL	61.1	55.6	55.6	55.6	55.6	55.6

Estimate of any current year (FY2005) cost: None

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

POSITIONS

Full-time						
Part-time	1	1	1	1	1	1
Temporary						

ANALYSIS: (Attach a separate page if necessary)

See Attached.

Prepared by: Guy Bell, Deputy Commissioner

Division: Office of the Commissioner

Approved by: Greg O'Claray, Commissioner

Agency: Department of Labor and Workforce Development

Phone: 465-2700

Date/Time: 3/3/05 10:59 AM

Date: 3/3/2005

FISCAL NOTE # 4

STATE OF ALASKA
2005 LEGISLATIVE SESSION

BILL VERSION: CSHB 33(L&C)

ANALYSIS: (continued)

HB 33 requires a study of the economic impact on small business of every regulatory change before the change can be adopted. In addition, an extensive regulatory flexibility analysis must be completed for each regulation change and alternatives must be evaluated and documented. This information must be compiled into a report that will be used to justify the adoption of the regulations.

This bill will impact three divisions in the Department of Labor and Workforce Development: Labor Standards and Safety, Workers' Compensation, and Employment Security. To prepare the extensive analysis and the economic effect statements a part time Regulations Specialist II is required. The position will be located in the Commissioner's Office.

The total FY 06 actual cost to the department is estimated to be \$61.1. This includes personal services of \$35.8, indirect, postage, printing and telephone costs of \$18.3, and \$7.0 for supplies. The supplies funding includes costs for a computer and office furnishings required in the first year only.

This bill will impact the Labor Standards & Safety (LS&S) Division's Occupational Safety & Health (OSH), Mechanical Inspection and Wage & Hour programs. These LS&S programs have extensive regulations, both adopted directly and for the OSH program adopted by reference to the federal regulations. Total cost for LS&S is estimated at \$41.7. Funding would be OSH \$20.9 (\$10.4 Federal/\$10.5 Worker Safety Account), \$10.4 Mechanical Inspection (Building Safety Account) and \$10.4 Wage & Hour (General Fund).

This bill will impact the Workers' Compensation Division's Workers' Compensation and Fishermen's Fund programs. The total estimated cost of \$9.3 would be funded from the Worker Safety Account (\$4.6) and the Fishermen's Fund (\$4.7).

This bill will impact the Employment Security Division's Unemployment Insurance program. The division estimates that the provisions of the bill will increase costs by approximately \$10.1 annually which would be funded by federal receipts.

This bill has an effective date of January 1, 2006. However, to establish the procedures and to develop the required analysis and reports to comply with the provisions of the bill, the department needs to add the requested position at the beginning of the fiscal year.

NOTE: Since the department will not receive increased federal funding to cover the cost of this legislation, the increased federal cost will need to be absorbed within existing federal grant levels.